

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities.

*This announcement is not for distribution, directly or indirectly, in or into the United States. This announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States. The Shares mentioned in this announcement have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the “**Securities Act**”) and may not be offered or sold in the United States except pursuant to registration or an exemption from the registration requirements of the Securities Act. No public offering of the Shares will be made in the United States.*



MEIKE INTERNATIONAL HOLDINGS LIMITED

美克國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 00953)

ANNOUNCEMENT

INTRODUCTION AND SPECIFIC PURPOSE OF THIS ANNOUNCEMENT

Reference is made to the announcement issued by Meike International Holdings Limited (the “**Company**”) on 7 July 2015 informing the market that trading in the shares of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) would be halted with effect from 9:00 a.m. on 7 July 2015 pending the release of an announcement in relation to a proposed fund raising exercise of the Company.

The Company has noted recent press reports containing speculation on, amongst other things, the identity of the parties involved and the import of the underlying transaction, and the possibility of a change in control of the Company should such transaction proceed as contemplated (“**Press Speculation**”). The sole purpose of this announcement is to provide sufficient information to respond to such speculation pending release of a subsequent and more detailed announcement as and when the Company is in a position to do so pursuant to and in accordance with The Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), The Code on Takeovers and Mergers (the “**Takeovers Code**”) and Part XIVA of the Securities and Futures Ordinance (Cap 571, Laws of Hong Kong) (“**Part XIVA of SFO**”).

THE SUBSCRIPTION AGREEMENT

The board of directors of the Company (the “**Board**”) is pleased to announce that, on 8 July 2015, the Company entered into a subscription agreement (the “**Subscription Agreement**”) with CMC Sports Investment Limited (“**Investor A**”, a company indirectly controlled by Mr. Ruigang Li); Mount Qilian Investment Limited (“**Investor B**”, a subsidiary of Tencent Holdings Limited); Dr. Chan Kwok Keung, Charles (“**Investor C**”, the current Chairman of Television Broadcasts Limited, and together with Investor A and Investor B, collectively, the “**Investors**”); and Dr. Allan Yap (the single largest shareholder of the Company as to approximately 29.55% of the ordinary shares in issue of the Company and an executive director of the Company who provides, among other things, certain covenants, undertakings, representations, warranties and indemnities relating to the businesses and affairs of the Company in favour of the Investors subject to the customary limitations and exceptions set forth in the Subscription Agreement).

Pursuant to the Subscription Agreement, the Company has conditionally agreed to allot and issue, and the Investors have conditionally agreed to subscribe for, a total of 3,553,830,000 ordinary shares in the Company (the “**Subscription Ordinary Shares**” and each ordinary share in the Company with par value of HK\$0.01 is referred to as an “**Ordinary Share**”) and a total of 16,246,170,000 convertible preference shares (the “**Subscription CPS**” and together with the Subscription Ordinary Shares, the “**Subscription Shares**”), each convertible into Ordinary Shares on a one-to-one basis in accordance with the terms and conditions of the convertible preference shares, in each case at an issue price of HK\$0.20 per Subscription Share (the “**Subscription**”). The total number of the Subscription Ordinary Shares represents

(i) approximately 300.0% of the existing issued share capital of the Company; and (ii) approximately 75.0% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Ordinary Shares, and Investor A's portion will comprise 2,423,065,909 Ordinary Shares representing approximately 51.1% of the issued Ordinary Shares as enlarged by the issue of the Subscription Ordinary Shares.

The gross proceeds from a subscription in full of the Subscription Shares will be HK\$3,960 million. The gross proceeds from a subscription in part of the Subscription Shares in the scenario contemplated under the Subscription Agreement will be HK\$2,900 million.

The Subscription is conditional upon satisfaction (or, if applicable, waiver) of certain conditions precedent prior to 7 December 2015.

The Subscription Agreement, if completed either in full or in part as aforesaid, would lead to a change in control (as defined in the Takeovers Code) of the Company. According to the Subscription Agreement, completion is conditional upon, among other things, (i) obtaining a waiver from the Executive Director of the Corporate Finance Division of the Securities and Futures Commission (the "**Executive**") pursuant to Note 1 on Dispensations from Rule 26 of the Takeovers Code, in respect of the obligations of Investor A and parties acting in concert (as defined in the Takeovers Code) with it to make a mandatory general offer for all relevant securities (as defined in note 4 to Rule 22 of the Takeovers Code) of the Company not already owned or agreed to be acquired by the Investors and parties acting in concert with them which would, if the subscription of Subscription Ordinary Shares proceeds, otherwise arise as a result of completion of the subscription of the Subscription Ordinary Shares (the "**Whitewash Waiver**"), (ii) obtaining approval from independent shareholders of the Company at an extraordinary general meeting of the Whitewash Waiver, and (iii) the Stock Exchange having indicated that it does not object to the consummation of the transactions contemplated under the Subscription Agreement within 60 days of the date of the Subscription Agreement (the "**Regulatory Condition**" which together with the conditions outlined in (i) and (ii) above are collectively referred to as the "**Non-waivable Conditions**"). It should be noted that the Stock Exchange has recently identified as an issue that the Company may become a cash company for the purpose of Listing Rule 14.82 upon completion of the Subscription, such that trading in the Company's securities will be suspended and the Company will be required

to go through the new listing application process before lifting the trading suspension. The Company is seeking to satisfy the Stock Exchange on this issue. Under the current terms of the Subscription Agreement, the Regulatory Condition will not be fulfilled if this issue is not addressed to the satisfaction of the Stock Exchange by 6 September 2015. **None of the Non-waivable Conditions is capable of being waived by any party to the Subscription Agreement. The Subscription Agreement will automatically terminate in accordance with its terms in the event of non-fulfilment of any of the Non-waivable Conditions.**

The Company will issue a full form announcement in relation to, among other things, the Subscription Agreement, the transactions contemplated thereunder and the Whitewash Waiver as and when it is in a position to do so pursuant to and in accordance with the Listing Rules, the Takeovers Code and Part XIVA of SFO (the “**Subscription Announcement**”).

The Subscription and the transactions contemplated thereunder are subject to the fulfilment or waiver (as the case may be) of a number of conditions precedent set forth in the Subscription Agreement, including approval by independent shareholders of the Company at an extraordinary general meeting of the Company of the Subscription and the Whitewash Waiver and the grant of the Whitewash Waiver by the Executive. As such, the Subscription and the transactions contemplated thereunder may or may not proceed. For full and complete details regarding the Subscription Agreement, the transactions contemplated thereunder and the Whitewash Waiver, the contents of this announcement (which sole purpose is to respond to Press Speculation only and is to be read as such) may be incomplete and shareholders and potential investors are therefore advised to refer to the Subscription Announcement. In addition, shareholders and potential investors shall exercise caution when dealing in the shares of the Company, and are recommended to consult their professional advisers if they are in any doubt about their position and as to actions that they should take.

CONTINUED TRADING HALT

At the request of the Company, trading in the shares of the Company on the Stock Exchange was halted with effect from 9:00 a.m. on 7 July 2015 and will remain halted pending the release of the Subscription Announcement.

By Order of the Board
Meike International Holdings Limited
Ding Siqiang
Chairman

Hong Kong, 29 July 2015

As at the date of this announcement, the Board comprises nine directors, namely, Mr. Ding Siqiang (Chairman), Ms. Ding Xueleng, Mr. Li Dongxing, Dr. Allan Yap, and Mr. Lau Yu Hang as executive directors of the Company; Mr. Wong Ka Ching as a non-executive director of the Company; and Mr. Pang Hong, Mr. Poon Kwok Hing, Albert and Ms. Qiu Qiuxing as independent non-executive directors of the Company.

The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in the announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement in this announcement misleading.